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August 13, 2013

VIA ELECTRONIC FILING

Jocelyn G. Boyd, Esquire
Chief Clerk and Administrator
Public Service Commission of South Carolina
101 Executive Center Drive
Columbia, South Carolina 29210

RE: **Petition of South Carolina Electric & Gas Company for an Accounting Order Related to the Retirement of the Canadys Units
Docket No. 2013-276-E**

Dear Ms. Boyd:

This is to acknowledge that the Office of Regulatory Staff ("ORS") has reviewed the filing in the above referenced Docket and discussed this matter with South Carolina Electric & Gas Company ("SCE&G" or "Company") representatives. ORS has no objection to the Company's Petition for an accounting order related to the retirement of Canadys Units 2 and 3 and the capacity charges incurred as a result of the retirement of these Units.

The Company's Petition states this request will not involve a change to any of SCE&G's retail rates or prices, or require any change in any Commission rule, regulation or policy. The Petition also proffers that the issuance of an accounting order will not prejudice the right of any party to address this issue in a subsequent general rate case proceeding. ORS further notes that with the exception of the treatment of the incurred capacity charges, this request is similar to the Company's proposed treatment associated with the retirement of Canadys Unit 1 which the Commission approved in SCE&G's most recent rate case under Docket No. 2012-218-E.

Thank you for the opportunity to provide our comments in this matter.

Sincerely,


John W. Flitter

JWF/swh

cc: Dan F. Arnett, Chief of Staff, SC ORS
Nanette S. Edwards, Chief Counsel, SC ORS
Jeffrey M. Nelson, Esquire, SC ORS
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